

DEPARTMENT OF THE INTERIOR

OFFICE OF FINANCIAL MANAGEMENT (PFM)

# PFM Exchange



Special points of interest:

- Interior Receives Honors
- Latest News on ETS2 & PFM Policies in the works
- PFM and the Treasury Department participate in sharing federal agency knowledge through personnel rotations
- PFM Peer-to-Peer Quarterly Awardees
- NASA's Final Flight of the Discovery Shuttle

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## A Word from the Director

As we finish out 3<sup>rd</sup> quarter reporting and brace ourselves for year-end and increasing audit fun, I find myself optimistic of our Department's financial future. I can say this for a number of reasons.

First, I am highly encouraged by the Financial Statement Guidance Team's (FSGT) preparations for Government-wide Treasury Account Symbol (GTAS) trial balance submissions. In fact, some Bureaus and Offices have already submitted files and are reviewing their results. I will not be surprised if Interior falls in the "Financial Leader" category when comparing Interior's GTAS errors/edits to those incurred by other agencies.

Second, I am also optimistic about our chances of removing last year's material weakness related to our legal letter submissions. The Office of the Solicitor compiled an aggressive corrective action plan and has been pursuing it by conducting training and sending clear messages regarding the importance of the data residing in the Contingent Liability System (CLS). Of course, this does not negate the role of the Interior financial community in reviewing the interim and final legal letters and their supporting documentation for consistency, accuracy, and completeness. Assuming these efforts are ultimately successful, I believe we will once again work at cabinet level agency with a clean audit opinion and NO material weaknesses, something we can all be proud of.

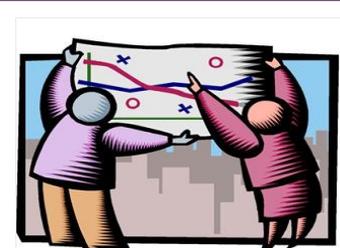
Third, the Data Integrity Scorecard has been paying dividends. Ever since the first draft, the average age of outstanding A/P, A/R, UFCO, and Obligations has been decreasing as well as the number of outstanding "older" transactions in these categories. By removing these older and no longer valid transactions, the integrity of our financial reports and ability to answer financial questions should improve. Also, I understand that the scorecard has increased the leverage of financial staff with program staff who don't quite appreciate financial integrity like Interior's financial folks.

Despite the above, I am concerned with the current audit recommendation closure rate of 39% at June 30. The Department's goal is 85% and was met last year. I am fully aware that most of the open 206 audit recommendations are program related and not financial in nature but I wanted to touch base on where the Department was at as a whole. With that said, if there are any financial audit recommendations open in your Office or Bureau, please make every effort to get them closed as soon as possible.

Thank you for all you do to contribute to Interior's financial integrity and financial operations. I know there are quirks and issues as anyone would expect with a 75,000 person organization that spent \$26.9B last fiscal year. However, given that volume and the complexity of our funds, operations, systems, and the fact that spending \$26.9B puts us in the Fortune 100 category (ahead of Oracle and 3M) I think you all have earned the right to be proud of what you do here at Interior.



*High achievement always takes place in the framework of high expectation.*  
— Charles Kettering





### Connect to the World of Government Accountability

AGA serves government accountability professionals by providing quality education, fostering professional development and certification, and supporting standards and research to advance government accountability.

Access the link below to view a short AGA video:

<http://www.agacgm.org/downloads/agaweb.wmv>

*AGA members, who number more than 15,000, are local finance directors, state auditors, federal chief financial officers, academicians and private sector leaders. They all join for the same reason—access to the organization that represents the breadth of the profession.*



## Interior Receives Honors for Financial Reporting

WASHINGTON — The Association of Government Accountants (AGA) recently awarded the Department of the Interior (DOI) their Certificate of Excellence in Accountability Reporting (CEAR), the group's highest form of recognition in federal government management reporting. Thanks to the hard work and dedication of its financial and performance community, DOI has received the award for 12 consecutive years.

"Secretary Salazar is focused on sound financial accountability and enhancing the transparency of management reporting for the American taxpayer," said Interior Assistant Secretary Rhea Suh, who also serves as Interior's chief financial officer. "For the twelfth year in a row, AGA has honored our commitment to financial reporting excellence and our high standards of accountability, transparency, and ethics."

The CEAR program is designed to help federal agencies improve their high-quality Performance and Accountability Reports or Agency Financial Reports. The program was established in conjunction with the Chief Financial Officers Council and the U.S. Office of Management and Budget (OMB) to improve financial and program accountability by streamlining reporting and improving the effectiveness of such reports.

The AGA noted that DOI had prepared an attractive, well-organized, succinct, clear, and comprehensive Agency Financial Report and Summary of Performance and Financial Information. They further noted many exemplary elements in the report, including the graphic depicting DOI's components and their roles, the presentation of DOI's high priority performance goals, and the discussion of DOI's financial management systems.

The Interior Department manages the nation's public lands and minerals including providing access to public lands and the Outer Continental Shelf for renewable and conventional energy; is the steward of 20 percent of the nation's lands including national parks and national wildlife refuges; is the largest supplier and manager of water in the 17 Western states and a supplier of hydropower energy; and upholds federal trust responsibilities to American Indian tribes and Alaska natives. It is also responsible for migratory wildlife conservation, historic preservation, endangered species conservation; mapping, geological, hydrological and biological science for the nation; and financial and technical assistance for the insular areas.

**By: Drew Malcomb, director of Communication, Office of the Assistant Secretary, PMB  
May 14, 2012**

## AGA Congratulates DOI on 12th Consecutive CEAR Award

Dear Secretary Salazar:

Congratulations to the U.S. Department of the Interior for receiving the Certificate of Excellence in Accountability Reporting (CEAR) from the Association of Government Accountants. This is the twelfth year Interior has received this award and AGA looks forward to your team's recognition with this award in the years to come.

Your staff should be commended for its commitment to excellence in reporting Interior's performance through its Performance and Accountability Report. The attached letter has identified some of the noteworthy features that Interior has included within its report.

Again, our congratulations!

Sincerely,  
Eveanna Barry  
Director, Performance Reporting  
AGA

## Latest News on the Electronic Travel System (ETS2)

On June 19, 2012, the General Service Administration (GSA) announced that CWTSatoTravel filed a protest of the ETS2 award with General Accountability Office (GAO) on Friday, June 15. GAO has issued an automatic "stay" that prevents the government and Concur from working together on ETS2 task orders and transition. If GAO takes the full 100 days to adjudicate the protest, the matter should be resolved by September 25.

At this time, GSA encourages the government to continue its internal ETS2 transition planning activities. All agencies are asked to submit their statement of work and/or request for quotes to the GSA for Blue Team review. The outcome of the protest, however, could result in a need to rework these reviews. GSA will provide more information as it becomes available.

### Other Travel Management News—

GSA has notified Interior that the terms of the annual Contract City Pairs Program (CPP) contract terms will change. Air reservations for CPP fares will require travel authorization approval at least 48 hours prior to the scheduled departure time or the reservation will be cancelled.

It is imperative that travel authorizations be created, signed by the traveler, and approved by the supervisor in a timely manner. These are recommendations for minimizing the risk of reservation cancellation and ticket fulfillment:

- Create a travel authorization and reserve transportation well in advance of scheduled travel dates,
- Sign your travel authorization to ensure it is sent to your approving official for authorization of travel,
- Make sure your approving official signs your travel authorization in a timely fashion. This is especially true when booking non-refundable, and non-contract fares as they require immediate approval to ensure they are purchased and ticketed. Tickets cannot be issued unless you have an approved travel authorization,
- Review email notifications sent to you by SATO and GovTrip, pertinent information concerning your travel document status and reservations status are contained in these notifications,
- Please ensure you receive an airfare ticketing notification from SATO at least 3 days prior to your scheduled departure date,
- For travel arranged on short notice, (less than 3 days prior to your scheduled departure) it is important that the travel authorization approval is done prior to departure; tickets will not be issued unless the travel authorization is approved,
- If a trip is cancelled, you must cancel your travel authorization; failure to cancel your authorization may result in the purchase of air transportation and a possible loss of appropriated funding.

## PFM Policies in the Works

- **Recoveries** – PFM is in the process of issuing the policy guidance on Prior Year Recoveries.
- **Miscellaneous Obligations** – Policy, Collaboration and Operations (PCO) Division held a workgroup session on Miscellaneous Obligations. As a result of bureau feedback, PCO has drafted the policy document. The draft is currently under PFM review and will subsequently be disseminated to the bureaus for comments.
- **Travel Policy** – an updated draft of the Department's travel policy was completed by PricewaterhouseCoopers and is currently under management review. The Bureau Travel Leads have already reviewed and provided comments on the document. The draft will now be forwarded to the Chief Financial Officers and Finance Officers Partnership for review and comments.
- **Relocation Policy** – a revised draft of the Department's relocation policy is also under management review. As soon as a final draft is available, the document will be distributed to the bureaus for review and comments.
- **Workers' Compensation** – PCO collaborated with Human Resources on the issuance of a Departmental policy for allocating workers' compensation costs to assigned programs.

*In traveling, a man must carry knowledge with him, if he would bring home knowledge.—*  
*Samuel Johnson*



*Travel and change of place impart new vigor to the mind. – Seneca*



*Our work is the presentation of our capabilities.—*

*Edward Gibbon*



## Interior and Treasury: A Collaborative Partnership



*Always desire to learn something useful.—  
Sophocles*



In the Spring, the Office of Financial Management (PFM) and the Treasury Department embarked on a position sharing agreement. Diane Washington and Parker Hill from PFM spent a 6 week rotation working at Treasury, mainly with the Financial Management Service's (FMS) Financial Reporting Division. Diane and Parker also worked with the Budget Reports Division and the Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS) group. On Interior's behalf, Diane and Parker were able to expand Treasury's knowledge of what federal agencies are dealing with in reporting financial management data at the levels required by Treasury. More specifically, Diane and Parker participated in a closeout meeting on March 23, 2012, with Treasury FRD Staff regarding the Revenue to Receipts Project they were working on during their detail. Karin Dasuki, Chief Treasury FRD, mentioned PFM FRD Staff was instrumental with assisting them with closing approximately 14 of the 50 recommendations from GAO. The recommendations were closed due to PFM FRD Staff assistance and clarification on Interior activities relating to Intragovernmental Reporting, Capital Transfers, and Revenue to Receipts Reconciliation. In exchange for agency knowledge, FMS sent two of its employees, Angela Potts and Tahmina Yasini, on a 6 week detail to Interior's PFM Financial Reporting Division. Angela and Tahmina brought with them a wealth of knowledge as agency liaisons for the Treasury Closing Package Process, Intragovernmental Reconciliations, and the GTAS Implementation Project. Moreover, both are instrumental in updating various chapters in the Treasury Financial Manual and working closely with the Treasury U.S. Standard General Ledger and Budget Reports Divisions. Both Angela and Tahmina were heavily involved in Interior's 2nd quarter reporting, including financial statements and notes, Required Supplementary Information and Required Supplementary Stewardship Information, variance analysis, SF-133 Reconciliations, and creating charts to depict Treasury Report on Receivables (TROR). Both PFM and Treasury benefited from the knowledge exchange and hope to repeat it next year with other colleagues.



From Left to Right: Treasury's Tahmina Yasini, PFM Director Douglas Glenn, and Treasury's Angela Potts.



From Left to Right: PFM Financial Reporting Division's (FRD) Parker Hill and Diane Washington.

## GTAS WebEx/FSGT Workshop

The PFM FRD in conjunction with the FBMS Project Management Office held a GTAS Workshop on June 5, 2012, with the Financial Statement Guidance Team (FSGT) representatives via WebEx. The workshop was held to assess and document the FBMS derivation rules necessary to automate production of the GTAS Bulk File. Products resulting from the workshop include a GTAS Milestones document that addresses testing and implementation key dates, documentation of the source data for each bulk file field, and documentation of the roles and responsibilities for shared/allocation Treasury symbols in preparation for the December implementation. Interior is fortunate to have a strong financial statement community; the collaboration level of the workshop was inspiring. Thank you to all involved!



**Check out the latest PFM news, guidance, policies, etc., at the SharePoint website:**

<https://portal.doi.net/OS/PMB/PFM/default.aspx>

**Any comments, questions, and/or suggestions for the PFM Newsletter? Please submit to email address: [PFM\\_Newsletter@ios.doi.gov](mailto:PFM_Newsletter@ios.doi.gov)**

## Who's New in PFM

On Monday, May 21, 2012, PFM welcomed new employee James Herring. James joins PFM as a staff member in the Policy Collaboration and Operations Division and will serve as a Travel Financial Specialist working with Robert Smith in the Travel and Relocation program. James recently retired as a Master Sergeant from the U.S. Air Force where he served as the Chief, Military Travel Policy in the Headquarters Personnel Directorate at Andrews Air Force Base. James is versed in both DoD's joint Federal Travel Regulations and the civilian Federal Travel Regulation promulgated by GSA. Moreover, James also brings to Interior experience with performing duties in the DoD charge card program and deploying the latest version of the Defense Travel System for the Air Force.



**James Herring, PFM Travel Financial Specialist**

Also, on Monday, May 21, 2012, PFM welcomed new summer intern Julie Yee. Julie is a summer fellow with the Office of the Secretary Program. Julie will be interning with the PFM Financial Reporting Division where she is working on updating policy and preparing for assisting in the compilation of the third quarter financial statements and footnotes. In previous summers, Julie has interned with other government agencies, as well as, serving as a Student Ambassador for the Department of Energy. Born in DC and raised in Northern Virginia, Julie graduated as Valedictorian from James Madison High School in 2010, and is a third year Economics major at the University of Virginia. Julie is interested in exploring graduate programs and ultimately pursuing a career with the Federal Government.



**Julie Yee, PFM Summer Fellow Intern**

On June 25, 2012, PFM welcomed new intern, Janae Bethea. Janae will be working in PFM assisting with administrative duties and learning the financial aspects of government accounting. Janae attends Kipp DC College Prep school and is a rising high school junior. Also, Genesis Pippen has returned to PFM as an Administrative Assistant. Genesis was hired under the Pathways Program and is a rising senior at Riverbend High School and a member of the Latin Club, Woman's A cappella and plays varsity Lacrosse. Genesis plans to attend college and major in Physics.



**Left: Janae Bethea  
Right: Genesis Pippen**



*Business, more than any other occupation, is a continual dealing with the future; it is a continual calculation, an instinctive exercise in foresight.—*

**Henry R. Luce**



*Happiness does not come from doing easy work but from the after-glow of satisfaction that comes after the achievement of a difficult task that demanded our best.*

— **Theodore Isaac Rubin**

## DOI Participates in Government-wide Effort to Update Financial System Guidance

The PFM Financial Systems Division is representing DOI in a government-wide initiative to develop a new strategic framework for improving federal financial systems. The purpose of this initiative is to establish updated financial system guidance to promote shorter-term, lower cost and easier to manage financial modernizations that deliver measureable and realizable results measured in increased efficiency and effectiveness.

To that end, OMB's Danny Werfel and Treasury's Dick Gregg assembled a meeting that included members of the original Financial Systems Advisory Board (FSAB) and other senior leaders across government. The FSAB was convened to provide insight and direction for this initiative. During this meeting, the FSAB agreed to establish three work streams for updating OMB's financial systems guidance. FSD is engaged in all three work streams and has been asked to participate with a select group to further refine outcome and objective statements.



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Action is the  
foundational key to all  
success—Pablo Picasso

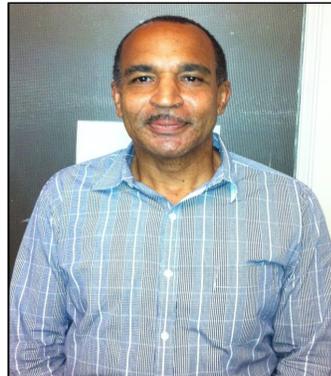
**Deadline for  
Submissions for  
the next PFM  
Exchange Issue is  
September 7, 2012**



## PFM Peer-to-Peer Quarterly Awardees



1st Quarter—Jennifer DeNardo. Jennifer is with the PFM Financial Reporting Division and works for PFM West in Denver, Colorado.



2nd Quarter—Michael Anthony. Michael is with the PFM Policy Collaboration and Operations Division and is our Financial Management Memorandum expert.



3rd Quarter—Charles Washington. Charles is with the PFM Departmental Offices Finance Division. Charles goes above and beyond to keep our PFM website, SharePoint site and Charge Card Program fully operational and updated.



4th Quarter—Alex Lampros. Alex is with the PFM Internal Control and Audit Follow-up Division and serves as PFM's Contracting Officer's Technical Representative and plays a key role in the preparation of the Department's Annual report.

## Discovery Shuttle's Final Flight



Mounted atop NASA's 747 shuttle carrier aircraft, the space shuttle Discovery flies approximately 1,500 feet above the Washington, D.C. area on April 17, 2012. Once the flyover is complete, the shuttle carrier aircraft will land at Dulles International Airport, where NASA will transfer Discovery to the National Air and Space Museum. Photo by Tami Heilemann, DOI Office of Communications.

Discovery (OV-103), the third of NASA's fleet of reusable, winged spaceships, arrived at Kennedy Space Center in November 1983. It was launched on its first mission, flight 41-D, on August 30, 1984. It carried aloft three communications satellites for deployment by its astronaut crew. Other Discovery milestones include the de-

ployment of the Hubble Space Telescope on mission STS-31 in April 1990, the launching of the Ulysses spacecraft to explore the sun's polar regions on mission STS-41 in October of that year and the deployment of the Upper Atmosphere Research Satellite (UARS) in September 1991.

Discovery is named for two famous sailing ships; one sailed by Henry Hudson in 1610-11 to search for a northwest passage between the Atlantic and Pacific Oceans, and the other by James Cook on a voyage during which he discovered the Hawaiian Islands.